## IN THE UNITED STATES BANKRUPTCY COURT FOR THE SOUTHERN DISTRICT OF TEXAS HOUSTON DIVISION

In re:	)	Chapter 11
ALEXANDER E. JONES,	)	Case No. 22-33553 (CML)
Debtor.	)	
	)	

STATEMENT AND RESERVATION OF RIGHTS OF THE
OFFICIAL COMMITTEE OF UNSECURED CREDITORS OF ALEXANDER E.
JONES IN RESPECT OF THE PROPOSED STIPULATION AND AGREED
ORDER REGARDING ADDITIONAL EXTENSION OF TIME FOR
DEBTOR TO FILE HIS SCHEDULES AND STATEMENTS

The Official Committee of Unsecured Creditors (the "Committee") of Alexander E. Jones (the "Debtor"), by and through its undersigned proposed counsel, hereby submits this statement and reservation of rights (this "Statement") in response to the *Proposed Stipulation and Agreed Order Regarding Additional Extension of Time for Debtor to File His Schedules and Statements* [ECF No. 88] (the "Proposed Stipulation"). In support of this Statement, the Committee respectfully states as follows.

- 1. Pursuant to the *Order Granting Extension of Time to File Debtor's Schedules of Assets and Liabilities, Schedules of Executory Contracts, and Statements of Financial Affairs* [ECF No. 57] (the "Extension Order"), the Debtor received a 45-day extension of the deadline to file his Schedules and Statements (as such terms are defined in the Extension Order) under Rule 1007(c) of the Federal Rules of Bankruptcy Procedure (the "Bankruptcy Rules"). The Debtor now requests approval through the Proposed Stipulation of an additional 21 days to file his Schedules and Statements (the "Additional Extension").
- 2. Transparency is a hallmark of any case commenced under chapter 11, and is of unique importance here with respect to the assets and financial condition of this Debtor. The

Committee also appreciates the importance of *complete* and *accurate* financial schedules and statements, as well as the challenges attendant to collecting such information in an individual chapter 11 case. Therefore, the Committee does not object to the limited Additional Extension. That said, the Committee has significant concerns regarding delay in the provision of information that will be essential to all further stages of this chapter 11 case. Indeed, the Committee's concerns are underscored by the Debtor's long history of delay in providing financial statements and records in prior state court litigation in which the Debtor is a defendant and the reality that the Debtor's companies have been engaged in bankruptcy planning (undoubtedly with the goal of a global resolution) for quite some time, beginning with the commencement of the subchapter V cases of InfoW, LLC and related companies in April 2022 and then the subchapter V case of Free Speech Systems, LLC in July 2022.<sup>1</sup>

3. In view of the foregoing, the Committee fully expects that no further extension requests will be necessary in respect of the Schedules and Statements; and, moreover, that the Debtor will work cooperatively with the Committee and other parties in interest to ensure additional information sought either formally or informally is provided on a timely basis.

## **RESERVATION OF RIGHTS**

4. The Committee reserves all rights related to the Proposed Stipulation, including, but not limited to, the Committee's rights to oppose any further extension of the deadlines under Bankruptcy Rule 1007(c) and the Committee's rights to compel the provision of complete and

<sup>&</sup>lt;sup>1</sup> See, e.g. Debtors' Emergency Motion for Order Authorizing Appointment of Russell F. Nelms and Richard S. Schmidt as Trustees of the 2022 Litigation Settlement Trust and Granting Related Relief, Case No. 60020 [ECF No. 6] (Bankr. S.D. Tex. April 18, 2022) (requesting court approval for the establishment of a litigation settlement trust to provide for a global resolution of pending litigation claims against the Debtor and the companies he operates).

accurate Statements and Schedules and other information, as and when appropriate. All such rights are expressly reserved.

Dated: January 13, 2023 Respectfully submitted,

By: <u>/s/ David M. Zensky</u> David M. Zensky

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Proposed Counsel to the Official Committee of Unsecured Creditors of Alexander E. Jones

## **CERTIFICATE OF SERVICE**

I certify that on January 13, 2023, a true and correct copy of the foregoing and the attached exhibit were served electronically on all parties registered to receive electronic notice of filings in this case via the Court's ECF notification system.

/s/ Marty L. Brimmage, Jr.
Marty L. Brimmage, Jr.